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RUEHKO/AMEMBASSY TOKYO PRIORITY 2654  
RUEHIN/AIT TAIPEI PRIORITY 7320  
RUCPDO/DEPT OF COMMERCE WASHDC PRIORITY  
RHMFISS/DEPT OF HOMELAND SECURITY WASHINGTON DC PRIORITY  
RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY  
RUEHGV/USMISSION GENEVA PRIORITY 2511  
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 001754

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TAGS: [ETRD](#) [PGOV](#) [PHUM](#) [SOCI](#) [SCUL](#) [ECON](#) [CH](#)  
SUBJECT: INDUSTRY DISCUSSES GREEN DAM DEVELOPMENTS

REF: A. BEIJING 1538  
[1](#)B. BEIJING 1682

Classified By: Economic Minister Counselor Robert S. Luke. Reasons 1.4  
(b/d)

[1](#)1. (C) Summary. Industry's strong opposition to China's plans to roll out the internet filtering software Green Dam stems both from business concerns and domestic political concerns U.S. industry representatives said June 25. CEOs have to show their companies made every effort to stop the roll-out should they be called to the Hill to testify as to why they are abetting China's censorship efforts, they stated. They claimed Google's problems in filtering internet pornography are being used by the government to highlight the need for Green Dam. Ministry of Industry and Information Technology (MIIT) claims that Hewlett Packard signed an agreement to support the software are overstated, they said. End Summary.

#### Business and Political Concerns

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[1](#)2. (C) A strong response in opposition to China's deploying the Green Dam - Escort of the Youth Flowers internet filtering software (reftels) is essential both to halt the roll-out and to cover industry domestically should CEOs be called to Capital Hill to testify as to why they are abetting China's censorship efforts, industry representatives told Deputy Assistant USTR Tim Wineland June 25. Industry is preparing a letter to Premier Wen Jiabao signed by the heads of fifteen different industry and trade associations that will likely be delivered June 27, they said. This is meant to serve as a compliment to the letters Secretary Locke and Ambassador Kirk sent to Ministry of Industry and Information Technology (MIIT) Minister Li Yizhong and Ministry of Commerce Minister Chen Deming on June 25.

[1](#)3. (C) Despite overwhelmingly negative reaction from the Chinese people, the media, industry and academia, the Chinese government is determined to deploy Green Dam, according to Microsoft Director for Government Affairs Max Chen. Chen said he recently met informally with an MIIT Director General who is working on the Green Dam issue. The Director General

told Chen MIIT realizes the software "has issues" but that U.S. and other foreign media are "over-reacting." The DG said the Chinese government is determined to move forward and will not back down.

#### Google Is "Whipping Boy"

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14. (C) The Chinese government is using Google's recent problems with filtering pornography as an excuse to highlight the need for Green Dam, said United States Information Technology Office (USITO) President John Chiang. "Google has become the government's whipping boy," Chiang opined. Before the Google problem, 90% of Chinese netizens were against the roll out of Green Dam. The government has "carefully orchestrated" its tactics to play up Google's failure to filter pornography and, as a result, now only 70% of netizens are against the software, Chiang claimed.

15. (C) MIIT's claims that Hewlett Packard (HP) signed an agreement to support Green Dam (ref B) are misleading, said Information Technology Industry Council Vice President John Neuffer. HP's Shanghai office agreed to install Green Dam on computers it sold as part of a procurement requirement to sell computers to rural schools. The Shanghai office did not know the Chinese government intended to roll the software out nationally, he said. Neuffer said HP Corporate was unaware of the agreement its Shanghai office signed. (Note: We have separately learned HP Shanghai did supply 13,000 computers in February as part of a rural stimulus program. They have a license to use the software through 2009).

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16. (C) Comment. MIIT has so far steadfastly refused to meet with DAUSTR Wineland during his visit here and, by all accounts, appears to be digging in to roll out Green Dam. In light of this, it may well take a decision at the very highest levels of the Chinese government to resolve this issue. End comment.  
PICCUTA